

PUBLIC

OFFICE OF CONSUMER ADVOCATE

OCA BODINE DIRECT WORKPAPER WP-2

OF

FRANK BODINE

**IN RE: LIBERTY UTILITIES (MIDSTATES NATURAL GAS)
CORP. d/b/a LIBERTY UTILITIES
DOCKET NO. RPU-2016-0003**

November 7, 2016

**OFFICE OF CONSUMER ADVOCATE
DATA REQUEST**

DATE : October 3, 2016

DOCKET NO. : RPU-2016-0003

COMPANY : Liberty Utilities

WITNESS : Timothy Lyons

SUBJECT : Cost of Service Study

REFERENCE : Lyons Exhibit TSL-6

43. A. Lyons Exhibit TSL-6 does not include the usage and costs (2015) of Keokuk Steel. Re-run the cost of service study, including the 2015 data pertaining to Keokuk Steel.
- B. Lyons Exhibit TSL-6 does not include Industrial customers in the Design Day calculations. Re-run the cost of service study with the Industrial class of customers, including Keokuk Steel, in the calculations.

Response:

- A. Liberty objects to Data Request No. 43A as irrelevant and unduly burdensome. On March 31, 2016, Keokuk Steel Castings terminated its transportation service with Liberty. Although Liberty is aware of reports of a sale of the facility, it is Liberty's understanding that the sale of the facility to new owners has not yet closed. In addition, the potential new owners have not requested gas service from Liberty. Based on preliminary conversations with the potential new owners, Liberty understands it will take a few years for the potential owners to develop their customer base and achieve full production levels. Until the potential new owners request service and provide information regarding its projected load, it would be unduly burdensome, not known or measurable, and costly for Liberty to run its cost of service study with Keokuk Steel's 2015 data. If the potential new owners do request service and provide information regarding its projected load, Liberty will amend its answer to this data request with a cost of service study that includes Keokuk Steel's projected revenue.
- B. Please refer to OCA DR 43 Attachment (CONFIDENTIAL), which contains the revised cost of service model that includes Industrial load, excluding Keokuk Steel, in the calculation of the design day use.

Please note that the resulting calculation of design day use is significantly higher than the Liberty's forecast of design day use since Liberty's forecast does not assume that the industrial interruptible customers take service on a design day, consistent with the terms of the interruptible service tariff.

NOTE: In the event the response to this data request contains confidential information, do not simply mark the entire response or attached document(s) confidential. Please highlight, or otherwise identify, the specific information that is claimed to be confidential.

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